which are of the same order as the cumulative cess receipts. On the same consideration of the resource availability from the cess receipts, the customs/excise duty rates on petroleum and petroleum products have not been revised upwards to the extent it would have become necessary had the cess receipts been directly transferred to the Oil sector. Thus, the Govemment has foregone substantial excise/ customs and dividend revenues from the Oil sector to facilitate internal resource generation by Oil sector PSUs. Besides, direct bedgetary support has been provided to the Oil/petroleum/ petrochemicals/fertilisers sectors (equity, loans/ grants and direct expenditure of concerned Ministries/Departments). All this has been, possible due to availability of the cess receipts with the Governent under the OID Act which allows retention of part of proceeds of the cess levy by the Govemment.

The legislative intent in the OID Act was to create a source of revenue and need based funding of the requirements of the Oil sector. The OID Act did not provide for the entire proceeds of cess being made available to OIDB. There has been no breach of the Act, either in letter or in spirit. All expenditure incurred and all revenues foregone in the Oil sector should be considered as deemed to have been made on the strength of the resource mobilisation under the OID Act.

Steps to check money laundering activities

313. SHRI JAYANT KUMAR MALHOUTRA: Wll the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Govemment propose to take steps to check the growing money-laundering activityin the country;

(b) if so, the details thereof;

(c) whether there is a move to modernise various investigative agencies in view of the fact that financial crisis have become far too complex; and

(d) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (by Ministry of Finance had appointed a committee consisting of representatives from the Central Board of Direct Taxes, Narcotics Control Bureau, Enforcement Directorate, Reserve Bank of India and Department of Economic Affairs to look into all aspects of Money-laundering, and to suggest a suitable legislation to deal with the problem, if necessary. The committee is yet to submit its report to the Ministry.

(c) and (d) The Govemment takes regular steps to modernise the infrastructure and facilities available with the investigative agencies so that they can deal effectively with increasingly complex financial crimes.

Revival Plan For Indian Bank By ICRA

314. SHRI SATISH AGARWAL: Will the
Minister of FINANCE be pleased to state:

(a) whether the Investment and Credit Rating Agency (ICRA) has submitted a revival plan for the Indian Bank;

(b) if so, the details thereof; and

(c) the reaction of Govemment thereon?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) The Reserve Bank of India have reported that investment and Credit Rating Agency (ICRA) has not yet submitted its final report on the revival plan of India Bank.

(b) and (c) Do not arise.

Import Duty Differential Between Oleo Pine Resin and Rosin

315. SHRI SATISH PRADHAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that import duty differential between Oleo Pine Resin (OPR) and Rosin was maintained at 40% as a matter of strategy to enable domestic manufacturers of Rosin through OPR to offset the higher manufacturing cost;

(b) if so, whether reducing import duty differential for Rosin and OPR from 40% to 20% has adversely affected the domestic Rosin manufacturing units;

(c) the steps taken to enable domestic Rosin manufacturers to be globally competitive in providing import duty relief on OPR and